

May 1, 2014

Welcome to the Compliance Corner ...

A new segment that provides an opportunity to train our workforce in compliance. LACDMH's workforce is made up of employees, volunteers, interns, trainees and others whose conduct in the performance of their work is under LACDMH's direct control, whether or not they are paid by the County. It is essential that you participate!

How do you participate? Read the articles for the next ten weeks, and send the answer to the weekly puzzle or question via fax or e-mail. Your answers and your involvement give you credit for compliance training. If you participate in 80% or more of the activities, you'll be eligible for a prize drawing at the end of the ten trainings.

Randy Faveau is coordinating the Compliance Corner effort. If you have any questions regarding the training or training materials, contact him at 213-739-2383.

Good luck!

Judith Weigand
LACDMH Compliance Officer



COMPLIANCE CORNER

VOL. 4

The Elements of an Effective Compliance Program

Compliance and ethics programs are a result of the corporate scandals, the Sarbanes-Oxley, and the requirements imposed on the New York Stock Exchange (NYSE) and the National Association of Securities Dealers and Automated Quotations (NASDAQ). The result of such scandals and Sarbanes-Oxley have caused amendments to be made to the Federal Organizational Sentencing Guidelines to include the elements of what are known as the Seven Elements of an Effective Compliance Program.

1. **Written policies, procedures and standards of conduct that articulate the organization's commitment to comply with all applicable federal and state standards.** Compliance Program and Audit Services (CPAS) is responsible for assisting with the development, approval, maintenance and deletion of Departmental policies and procedures. It is important that all LACDMH employees comply with the Departmental Policies and Procedures. These policies and procedures ensure that we complete our work as required by federal, state and county rules, regulations, statutes, policies and procedures.
2. **Designation of a compliance officer and compliance committee that are accountable to senior management.** Included in LACDMH item control is a position designated for the Compliance Officer, payroll title being Chief, MH Programs Evaluation. Judith Weigand currently holds this position. To ensure this position is continued, LACDMH has established Policy 112.18, Compliance Officer.
3. **Effective training and education for the compliance officer and the organization's employees.** LACDMH provides opportunities for its employees to participate in numerous trainings to ensure up-to-date and knowledgeable staff which, in turn, safeguards quality of care and excellence.
4. **Effective lines of communication between the compliance officer and the organization's employees.** It is important for employees to be able to discuss concerns related to compliance; whether they are non-compliance, potential fraud or federal, state or county requirements. LACDMH has established a policy to encourage communication, Policy 112.01, Compliance Program Communication. This policy provides instructions on who to communicate with and when such communications should occur.
5. **Enforcement of standards through well-publicized disciplinary guidelines.** Disciplinary guidelines have been provided in LACDMH Policies and Procedures; Policy 605.01, Discipline; Policy 500.19, Privacy Sanctions; and Policy 112.10, Graded Sanctions.
6. **Provision for internal monitoring and auditing.** The CPAS Bureau conducts monitoring and auditing through agreements/contracts with the Los Angeles County Department of Auditor-Controller and an outside Certified Public Accounting (CPA) firm. The Auditor-Controller conducts monitoring reviews, whereas the CPA conducts audits of contractor cost reports; each contractor is audited once over a three-year period.
7. **Provision for prompt response to detected offenses and for the development of corrective action.** All audits, monitoring and review findings for Managed Care Organizations and Prepaid Inpatient Health Plans require a corrective action plan be submitted. Action plans are reviewed for appropriateness and monitored for implementation.

What is the Policy number for Compliance to encourage communication?

For training credit, answer the question and send an e-mail to: compliance@dmh.lacounty.gov. For those employees who do not have e-mail, answers may be faxed to: 213-252-0233. Include in your e-mail or fax, the answer to the question, your name, where you work (program and address) and phone number.



Next Update: Reporting Noncompliance

Designed by LACDMH PIO